

GOVERNOR'S OFFICE

Austin, Texas.

April 2, 1923

Hon. S. L. Staples,  
Secretary of State,  
Austin, Texas.

Dear Mr. Secretary:

I have vetoed, and am here filing with you, Senate Bill  
No. 143.

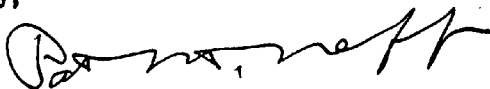
The purpose of this bill is to exempt from the operation  
of what is known as the "Blue Sky Law" certain public service corpor-  
ations and other corporations whose rates, or charges, are regulated by  
law, or by some governmental agency of the State. The Blue Sky Law  
was passed to protect the purchasers of stock of proposed corporations from  
being charged unreasonable promotion fees in the organization of such  
corporations. The fact that the rates of the proposed corporations might  
after its organization, be fixed by governmental agencies affords no  
reasonable basis for exempting said corporation in its organization from  
the operations of the Blue Sky Law.

It therefore follows that this act of Legislature attempting  
to exempt certain corporations from the operation of the Blue Sky Law,  
while causing its provisions to apply to others situated in the same, or  
similar circumstances, would be unreasonably discriminatory. It would  
clearly grant special privileges to one class of corporations while  
denying it to others. Such a classification would be arbitrary and un-  
reasonable. In my opinion, any legislation which would weaken our present

Blue Sky Law would be unwise.

This bill is therefore disapproved and herewith filed with  
you, together with my veto.

Respectfully,

A handwritten signature in dark ink, appearing to read "Benjamin H. Rusk". The signature is fluid and cursive, with a large initial "B" and a distinct "H" at the end.

Governor